

Town of Bedford Finance Committee
Selectmen's Meeting Room, Bedford Town Hall

Date: December 6, 2012

Finance Committee Attendees: Stephen Steele, Vice-Chair; Meredith McCulloch, Barbara Perry, Richard Bowen, Bob Kenney, Ben Thomas.

Other Attendees: Richard Reed, Town Manager; Ken Gordon, State Representative; Bruce Murphy-Chair and Ron Cordes, Board of Assessors; School Committee: Anne Bickford-Chair, Noreen O'Gara, Ed Pierce, Abbie Seibert; David Coelho, Director of Finance, Schools; Jon Sills, Superintendent of Schools; Victor Garofalo, Finance Director, Treasurer/Collector; Joanne Monaghan, Recording Secretary for finance committee.

Attachments/Handouts: FY2014 Budget Model 2.2; Board of Assessors FinCom Presentation as of 12/6/2012; Bedford Public Schools Superintendent's Operating Budget, FY2014 as of 11/27/2012.

Meeting was called to order at 7:32pm.

Meeting Discussions and Actions:

1. Bruce Murphy from the Board of Assessors reviewed and discussed the estimates and draft requirements for the FY2014 budget. He showed New Growth value trends and recommended \$850k to \$900k for FY14 with ~14 new homes to come online. Overlay Reserve is recommended in the range of the 75th percentile, i.e. \$900k to \$925k; there is a slight deficit with the previous reserve set too low. Abatement Interest is recommended between \$50k and \$55k. He also discussed the Personal Property exemption.
2. Jon Sills, Superintendent of Schools presented the draft proposal for the FY2014 budget. He reviewed space needs due to enrollment increases at the high school, kindergarten, ELL as well as maintaining other programs. The total budget increase of 5.86% (\$1.92m) is primarily due to contractual obligations, Federal mandates, enrollment increases and other. FY13 budget is \$32.8m, FY14 current projection is \$34.7m. There will be additional review and discussion at the December 18, School committee meeting, and Bob Kenney will attend.
3. Ken Gordon, State Representative was introduced. He spoke briefly and his official duty begins on January 2, 2014.
4. Victor reviewed Model 2.2 for FY2014. There were discussions on changes to the model and motions were made: Motion made by Rich B to increase New Growth to \$850,000, seconded by Barbara, *Vote: 6-0-0*. Sewer revenue increased from \$4.4m to ~\$4.6m. Free Cash is an estimate at this time. Motion made by Rich B to use \$900k for Overlay Reserve, seconded by Barbara, *Vote: 6-0-0*. Motion made by Rich B to use \$50k for Abatement Interest, seconded by Barbara, *Vote: 6-0-0*. Insurance and Benefits: The retirement assessment increased by 8.4% or ~\$100k, due to investment income not as high as expected. Other Articles: Richard Reed suggested that \$1m is too low for capital and would like to have more information on what the new capital system estimates. He also reiterated that some infrastructure needs to be replaced and a more comprehensive analysis is needed.

5. Old Business: Actuary study to be done in January.
6. Meetings Attended: Barbara attended the CEC meeting on Dec 5. There was discussion on projects that are covered by other funds. They have started the ranking of projects for FY14, and expect departments to come to meetings to discuss their perspective requests with CEC.

Ben attended the Board of Health meeting on Dec 3, and they are currently working on the FY14 budget. There was also discussion regarding where the Nurses reside in the budget.

Steve S attended School Committee meeting on Dec 4, discussion on ELL and budget.

Steve Carluccio (not present), attended the Dec 3, Selectman's meeting and sent highlights of the meeting to Fincom members via email.

7. Minutes: Minutes for November 29, will be reviewed at the next meeting.
8. Rich B made a motion to adjourn the meeting at 10:50pm, seconded by Ben T. *Vote: 6-0-0.*

Finance Meeting Schedule: December 13, December 20; January 3.